

Subject	Progress Update on Audit Recommendations	Status	For Publication
Report to	Audit Committee	Date	29/07/2021
Report of	Head of Finance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	Na
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1 Purpose of the Report

- 1.1 To update Members on the actions being taken in response to audit recommendations made by both internal audit and external audit during the current financial year and in previous financial years.
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2 Recommendations

- 2.1 Members are recommended to:
- a. **Note the progress being made on implementing audit recommendations;**
 - and
 - b. **Consider if any further information or explanation is required from officers.**
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3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:
Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

- 3.2 The reporting of audit findings and recommendations is a key part of providing assurance on the adequacy of the Authority's corporate governance arrangements, particularly those relating to internal control and financial and risk management.

4 Implications for the Corporate Risk Register

- 4.1 The contents of this report do not link to a specific risk in the corporate risk register; instead they set out the actions being taken in a number of areas that will contribute to addressing various risks in relation to operations and governance as detailed in the original audit reports.

5 Background and Options

- 5.1 The Authority's Local Code of Corporate Governance sets out the framework in which the Authority complies with the seven principles of good governance; one of which is "*managing risks and performance through robust internal control and strong public financial management*". One aspect of achieving this is having arrangements for assurance and effective accountability in place and ensuring that recommendations made by both external audit and internal audit are acted upon.
- 5.2 The Audit Committee has received reports of the external auditor and of the Head of Internal Audit at regular intervals during the financial year. The report attached at Appendix A summarises the actions taken and progress being made on implementing the audit recommendations from internal audit reviews during the current and previous financial years. The external auditor's final report on their 2019/20 audit included no recommendations, and their report on 2020/21 is elsewhere on this agenda.
- 5.3 Members will note that there are several areas in which actions are being taken in order to address the findings and implications from the internal audit reviews. The number of areas and actions in progress is partly a reflection of the fact that SMT commissioned audit reviews in those areas that had been identified as requiring improvement so that the audit findings would help to focus the improvement process and actions.
- 5.4 The previous report on progress to the March meeting noted that there had been some delays in implementing agreed actions arising from the impact of COVID and lockdowns during 2020/21 in particular. Since then, further progress has been made and there are several actions that have now been fully completed. The tables in the attached appendix also show the status and progress being made on the remaining outstanding action plans and this will continue to be actively monitored.
- 5.5 The progress on implementation will continue to be reported to the Audit Committee at regular intervals.

6 Implications

- 6.1 The proposals outlined in this report have the following implications:

Financial	No additional financial implications; the costs of the internal audit service and the fees for the external audit are met from existing budgets.
Human Resources	None
ICT	None
Legal	None
Procurement	None

Gillian Taberner

Head of Finance & Corporate Services

Background Papers	
Document	Place of Inspection
None	-